CLICK HERE FOR SUPERVISORS MOLINA AND BURKE'S MOTION

CLICK HERE FOR CAO'S MEMO DATED 3-24-05

The Administration's Federal Fiscal Year (FFY) 2006 (October 1, 2006-September 30, 2007) budget proposes to eliminate the Community Development Block Grant (CDBG) program.

The CDBG Program, which was enacted in 1974, has provided the Los Angeles Urban County with funding for vital housing, community, and economic development programs. Over the last several years, the County's CDBG allocation has steadily decreased due to reductions in federal appropriations and increases in the number of set-asides. Los Angeles County will receive approximately \$34.6 million in CDBG funding for the FFY 2005 (October 1, 2005-September 30, 2006), the lowest level of funding for the County since 1993. If the Administration's proposed FFY 2006 budget is approved and the CDBG program is eliminated, there would be a devastating impact on the low- and moderate-income residents that are served by the program.

The Community Development Commission, working with 48 participating cities and 66 community-based organizations, has provided CDBG-funded services over the last four years to residents within the Los Angeles Urban County by supporting afterschool and recreation programs for over 156,000 youth; assisting 67,000 seniors

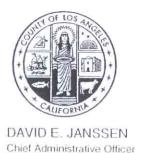
Burke	
Yaroslavsky	
Knabe	
Antonovich	
Molina	

MOTION

through meals and case management; rehabilitating nearly 7,000 homes; developing approximately 9,000 affordable housing units and creating or preserving over 2,000 jobs.

WE, THEREFORE, MOVE THAT the Board of Supervisors of the County of Los Angeles:

- Support retention of the CDBG Program in its current structure within the
 U.S. Department of Housing and Urban Development; and
- Support funding for the CDBG Program by providing FFY 2006 funding of at least \$4.7 billion overall, with no less than \$4.35 billion in formula funding; and
- 3. Instruct the Executive Director of the Community Development Commission, working with the County's advocates, the Los Angeles County Congressional Delegation, national organizations, 48 participating cities and community-based organizations, to support the County's position on retaining the CDBG Program in its current form, to preserve the flexibility and local determination that are the hallmarks of the CDBG program; and
- 4. Recommend that the Board of Supervisors, upon presentation, send a letter to the Los Angeles Congressional Delegation, the Administration, federal appropriators and federal authorizers supporting the continuation of the CDBG Program and requesting that Program funding be maintained.



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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> Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNARE Fourth District

MICHAEL D. ANTONOVICH Fifth District

March 24, 2005

To:

Supervisor Gloria Molina, Chair

Supervisor Yvonne B. Burke Supervisor Zev Yaroslavsky

Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

David E. Jansseh

Chief Administrative Officer

MOTION ON COMMUNITY DEVELOPMENT BLOCK GRANT (ITEM NO. 8, AGENDA OF MARCH 29, 2005)

Item Number 8 on the March 29, 2005 agenda is a motion by Supervisors Molina and Burke to: support retention of the Community Development Block Grant (CDBG) in its current structure within the U.S. Department of Housing and Urban Development (HUD); support at least \$4.7 billion in Federal Fiscal Year (FFY) 2006 CDBG funding with no less than \$4.35 billion in CDBG formula funding; instruct the Executive Director of the Community Development Commission to work with the County's legislative advocates, the County's Congressional delegation, cities, and other organizations to support the County's position on retaining CDBG in its current form; and recommend that the Board send a letter to the County's Congressional delegation, the Bush Administration, and Congressional authorization and appropriations committees supporting the continuation of the program, and requesting that its funding be maintained.

The President's proposed FFY 2006 Budget would eliminate CDBG and 17 other community and economic development programs, and replace them with a new Strengthening America's Communities Initiative that would be funded at \$3.71 billion in FFY 2006. In comparison, not counting \$150 million in one-time CDBG disaster relief funding, FFY 2005 funding for CDBG alone totaled \$4.7 billion with \$4.1 billion in CDBG formula grant funding. While CDBG is administered by HUD at the Federal level, the Administration proposes that the new grant would be administered by the Department of The County's FFY 2005 CDBG allocation is roughly \$34.6 million. Congress has not yet taken any action on FFY 2006 appropriations legislation.

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The motion's recommendations are consistent with the Federal Legislative Agenda adopted by your Board on February 8, 2005 that includes a policy supporting increased CDBG funding.

Please let me know if you need any additional information.

DEJ:GK MAL:MT:ib

c: Executive Officer, Board of Supervisors Community Development Officer